IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:)	Chapter 11 (Subchapter V)
FREE SPEECH SYSTEMS LLC,)	Case No. 22-60043 (CML)
	Debtor.))	
In re:)	Chapter 11
ALEXANDER E. JONES,)	Case No. 22-33553 (CML)
	Debtor.))	

STATEMENT AND RESERVATION OF RIGHTS BY THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ALEXANDER E. JONES REGARDING THE DISCLOSURE TO THE COURT

The Official Committee of Unsecured Creditors (the "Committee") of Alexander E. Jones ("Jones") respectfully files this statement and reservation of rights (the "Statement") regarding the Disclosure to the Court [Case No. 22-60043 (CML), ECF No. 534] (the "Disclosure") filed jointly by Jones and Jones's entity, Free Speech Systems, LLC ("FSS"), on the docket for FSS's chapter 11 case, In re Free Speech Systems, LLC, Case No. 22-60043 (CML) (Bankr. S.D. Tex.) (the "FSS Case") (but not on the docket for Jones's chapter 11 case, In re Alexander E. Jones, Case No. 22-33553 (CML) (Bankr. S.D. Tex.) (the "Jones Case")). In support of this Statement, the Committee respectfully states as follows.

1. By the Disclosure, Jones and FSS disclose that an unidentified employee of FSS formed a new entity, Mountain Way Marketing LLC ("Mountain Way"), and began invoicing and receiving payments through such entity from certain unidentified advertisers in exchange for FSS's

on-air advertising and product promotion. Specifically, the Disclosure states that Mountain Way has received at least \$243,742.09, and transferred at least \$157,272.76 of such amount to Jones. The Disclosure further states that Jones has "committed to cause all amounts paid by the Advertisers to Mountain Way to be paid to" FSS, and that the source of those funds will be \$157,272.76 from Jones's debtor-in-possession account and \$86,469.33 from Mountain Way's account.

- 2. Neither Jones nor FSS disclosed this issue to the Committee prior to filing the Disclosure or consulted the Committee regarding the transfer of more than \$150,000 of funds belonging to Jones's bankruptcy estate. This is of grave concern to the Committee and its members.
- 3. In view of the foregoing, and contemporaneously with the filing of this Statement, the Committee has served information requests on each of Jones, FSS and Mountain Way in respect of the matters described in the Disclosure and reserves all rights in respect of the same.

[Remainder of page intentionally left blank.]

Dated: March 27, 2023 Respectfully submitted,

By: /s/ Marty L. Brimmage, Jr.

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Counsel to the Official Committee of Unsecured Creditors of Alexander E. Jones

CERTIFICATE OF SERVICE

I certify that on March 27, 2023, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Marty L. Brimmage, Jr.
Marty L. Brimmage, Jr.